

Message Text

LIMITED OFFICIAL USE

PAGE 01 QUITO 02248 272240 Z

40

ACTION ARA-17

INFO OCT-01 ADP-00 EB-11 SCEM-02 CIAE-00 DODE-00 INR-10

NSAE-00 PA-03 RSC-01 USIA-12 PRS-01 INT-08 COME-00

TRSE-00 PM-09 RSR-01 /076 W
----- 053445

R 272144 Z APR 73

FM AMEMBASSY QUITO
TO SECSTATE WASHDC 7280
INFO AMEMBASSY CARACAS
AMCONSUL GUAYAQUIL
AMEMBASSY LIMA

LIMITED OFFICIAL USE QUITO 2248

E. O. 11652: N/ A

TAGS: ENRG, EC

SUBJECT: FIRE SHUTS DOWN PETROLEUM PIPELINE

1. A FIRE IN ONE OF THE PUMPING STATIONS ALONG THE TRANSANDEAN PIPELINE HAS STOPPED THE FLOW OF PETROLEUM FROM TEXACO- GULF FIELDS TO THE PORT OF BALAO. ALTHOUGH THE PRECISE CAUSE OF THE FIRE HAS NOT BEEN IDENTIFIED, CRUDE PETROLEUM SOMEHOW ESCAPED FROM THE LINE AT THE PUMPHOUSE AND IGNITED WHEN IT TOUCHED HOT MACHINERY. DAMAGE WAS CONFINED TO THE ENGINES AND PUMPS.

2. THE COMPANY INITIALLY ASSESSED THE DAMAGE AS REQUIRING TWO MONTHS FOR RESTORATION. THIS ESTIMATE, GIVEN TO THE PRESS APRIL 26, WOULD HAVE SIGNIFICANT IMPLICATIONS FOR 1973 COMPANY PROFITS, GOE REVENUES AND BALANCE OF PAYMENTS. AFTER CLOSER EXAMINATION COMPANY OFFICIALS NOW SAY THAT IT MAY BE POSSIBLE TO RESUME PUMPING WITHIN TEN DAYS BY IMPORTING PORTABLE EQUIPMENT FOR THE LINE, OR IN 21 DAYS IF THEY DECIDE TO SHIFT EQUIPMENT FROM OTHER PUMPING STATIONS ALONG THE LINE. MEANWHILE THERE ARE 900,000 BARRELS IN STORAGE TANKS AT THE PORT, REPRESENTING 4 DAYS OF PRODUCTION AND THREE TANKER LOADS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 QUITO 02248 272240 Z

3. ALTHOUGH THE FIRE DEMONSTRATES THE VULNERABILITY OF THE COUNTRY'
S
PRINCIPAL INDUSTRY, THE EFFECT ON ANTICIPATED 1973 REVENUES WILL
NOT BE SEVERE IF THE COMPANY' S REVISED ESTIMATE OF TIME OF REPAIR IS
CORRECT. PRESENT CRUDE MARKET PRICES AND TAX REFERENCE PRICES ARE
ALREADY HIGHER THAN THE COMPANY AND THE GOE FORESAW AT THE
BEGINNING
OF THE YEAR AND COULD MOVE STILL HIGHER, COMPENSATING FOR THE
CURRENT LOSS OF PRODUCTION.
BURNS

LIMITED OFFICIAL USE
NMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 27 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973QUITO02248
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: QUITO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730454/aaaaizcc.tel
Line Count: 74
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 18 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18-Jan-2002 by martinjw>; APPROVED <07 FEB 2002 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 980204
Subject: FIRE SHUTS DOWN PETROLEUM PIPELINE
TAGS: ENRG, EC
To: ARA
CARACAS
GUAYAQUIL
LIMA
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

